

NATIONAL RIFLE ASSOCIATION OF AMERICA

OFFICE OF THE PRESIDENT

11250 WAPLES MILL ROAD

FAIRFAX, VIRGINIA 22030

CONFIDENTIAL

OLIVER L. NORTH

President



NRA

John Frazer

Secretary & General Counsel, National Rifle Association of America

Charles Cotton

Chairman of the Audit Committee, National Rifle Association of America

April 11, 2019

Dear John and Charles:

Attached is a copy of my contract with Ackerman McQueen, dated 15 May 2018. Also attached is an amendment to my contract, dated 31 December 2018. I provide these contracts pursuant to the NRA's agreement to keep them confidential as reflected in Mr. Brewer's email of 4 April 2019. The contracts contain confidentiality provisions that are standard in the media industry, and Ackerman McQueen has agreed to extend these provisions to cover the NRA pursuant to the NRA's agreement to keep the contracts confidential.

As you are aware, my contract and work with Ackerman McQueen on NRATV is well known at the NRA. Wayne knew about my contract from its inception, because it was his idea that I leave my job at Fox News, become President of NRA, and enter into a contract with Ackerman McQueen to work on NRATV. Wayne helped negotiate the contract. I have understood at all times, the contract was approved by the NRA because Wayne was instrumental in creating it, and that it was in the NRA's best interest.

Last year, the Audit Committee approved and ratified my Ackerman McQueen contract on 8 September 2018. See the attached Audit Committee resolution, which presumably was approved by Wayne and Mr. Brewer. More recently, some have expressed confusion about my contract. I would like to clear that up. I ask the Audit Committee to do two things to resolve this issue:

First, I ask the Audit Committee to again review and ratify my contract and the 31 December amendment in which I voluntarily reduced my salary to save the NRA money. Charles, thank you for the invitation to propose a resolution to guide this process. I propose the attached resolution for the Audit Committee's consideration. As I understand it, this proposed resolution reflects best practices in corporate governance and can be a good process model going forward. The Audit Committee should take guidance from the NRA's counsel as well.

(703) 267-1040

(703) 267-3909 fax

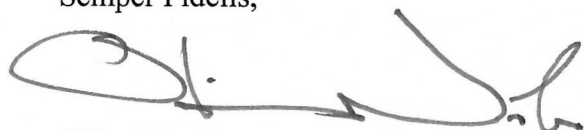
I assumed that there was a good governance practice in connection with the September 2018 approval of my contract, but I was not involved in that process and there apparently have been recent questions regarding whether that procedure met “best practices.” I want to be sure we adhere to best practices in the analysis and approval of my contract and in everything we do.

Second, as all are aware, the division of my labor has changed since the inception of my contract with Ackerman McQueen. I spend well over 50 hours a week on work supporting and advancing the NRA, but because of the NRA’s difficult financial situation I am spending much more time on the road raising money and membership for the NRA than originally anticipated. This, of course, is being done with the full blessing of Wayne and the Board, but it also means that I am less available for NRATV. This shift is consistent with the NRA’s reduction in resources devoted to NRATV. I would like the Audit Committee’s review, analysis, and its resolution to reflect this shift in my work because I want all concerned to understand how I am devoting my time in furtherance of the NRA’s mission, and the extent to which I am being compensated. This is reflected in the attached proposed resolution.

My contract with Ackerman McQueen is important to me not just because of the pay for my work supporting and advancing the NRA through NRATV, fundraising, membership development, leadership, etc., but also because of the health insurance it provides for my wife who is not well.

Going forward, I think the appropriate NRA Committees should consider and recommend a change in our Bylaws to reflect that our next NRA President should be compensated by the NRA for the performance of his or her duties. And, as we now do, if the President (or other officer or board member) has a contract with any NRA vendor, contractor, or related party, that contract should be part of our review and approval process and affirmed by our Board of Directors.

Semper Fidelis,

A handwritten signature in dark ink, appearing to be "O. North", written over a horizontal line.

Oliver North

**“SEMPER FIDELIS” IS MORE THAN A SLOGAN FOR U.S. MARINES.
“ALWAYS FAITHFUL” IS A WAY OF LIFE**

NATIONAL RIFLE ASSOCIATION OF AMERICA

AUDIT COMMITTEE

[PROPOSED]

**RESOLUTION REGARDING LTCOL NORTH'S CONTRACT
WITH ACKERMAN MCQUEEN**

[Date]

WHEREAS the undersigned are members of the Audit Committee of the Board of Directors of the National Rifle Association of America;

WHEREAS pursuant to the NRA's bylaws and practice, the Audit Committee has the authority to consider, approve, disapprove, authorize actions or decline to authorize actions that may pose a potential conflict of interest with the NRA and/or that relate to executive compensation;

WHEREAS LtCol Oliver North has been serving as President of the NRA since September 2018;

WHEREAS LtCol North performs significant work for the NRA by virtue of his dedication to the NRA and his role as President of the NRA, including substantial fundraising, membership development work, and leadership work;

WHEREAS LtCol North has been an employee of Ackerman McQueen at the NRA's request to perform work on NRATV since May 15, 2018;

WHEREAS the Audit Committee has received and reviewed in detail LtCol North's contract with Ackerman McQueen, dated May 15, 2018;

WHEREAS the Audit Committee has received and reviewed in detail the Amendment to LtCol North's contract with Ackerman McQueen, dated December 31, 2018, in which he voluntarily reduced his salary;

WHEREAS LtCol North has conveyed to the Audit Committee that the division of his labor has changed since the inception of his contract with Ackerman McQueen. LtCol North conveyed that he is spending well over 60 hours a week supporting and advancing the NRA, but because of the NRA's present difficult financial situation he is dedicating more time on the road raising money and membership for the NRA. This shift is consistent with the NRA's reduction in resources devoted to NRATV, and is beneficial to and at the request of the NRA;

WHEREAS LtCol North has a long record of proven leadership qualities, including a proven fundraising record, and has vast experience in the field of high-profile television reporting and production;

WHEREAS LtCol North has a long record of strong support from the membership of the NRA, as reflected in his repeated first-place standing in the number of votes he receives in the election of our Board of Directors;

WHEREAS the Audit Committee, consistent with best practices, has deliberated on these matters and wishes to document its findings;

NOW, THEREFORE, the Audit Committee after receiving appropriate and sufficient information resolves as follows:

RESOLVED that the Audit Committee reaffirms its September 6, 2018 resolution that LtCol North's contract with Ackerman McQueen is fair, reasonable, and in the best interest of the NRA;

RESOLVED that the Audit Committee reaffirms its approval and ratification of LtCol North's contract with Ackerman McQueen;

RESOLVED that the Audit Committee reaffirms its approval and ratification of LtCol North's continued participation in the Ackerman McQueen contract during his service on the NRA Board and as President of the NRA;

RESOLVED that the Audit Committee approves and ratifies the December 31, 2018 Amendment to LtCol North's contract with Ackerman McQueen, reflecting his voluntary reduction in salary;

RESOLVED that LtCol North's compensation pursuant to the Ackerman McQueen contract is fair, reasonable, in the best interest of the NRA;

RESOLVED that LtCol North shall continue to abstain from participating in or seeking to influence any deliberations or votes regarding Ackerman McQueen;

RESOLVED that LtCol North shall report to the Audit Committee any material change in the terms of his contract with Ackerman McQueen prior to the execution of that change; and

RESOLVED that this Consent Resolution may be executed in counterparts.

IN WITNESS WHEREOF, this Written Consent Resolution has been executed by the members of the Audit Committee of the Board of Directors of the National Rifle Association as of April _____, 2019.

Charles L. Cotton, Chairman

David G. Coy, Vice Chairman

Curtis S. Jenkins

Herbert A. Lanford, Jr.

Carolyn D. Meadows